OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

Approved _____ Mayor
Veto _____
Override _____

**Agenda Item No.** 10(E)(1)(A)

04-24-07

**RESOLUTION NO.** R-428-07

**RESOLUTION APPROVING ISSUANCE OF MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY REVENUE BONDS IN AN AMOUNT NOT TO EXCEED $5,915,000 TO FINANCE A CAPITAL PROJECT FOR EDUCATIONAL FACILITIES BENEFITING BELEN JESUIT PREPARATORY SCHOOL, INC. FOR PURPOSES OF AND PURSUANT TO SECTION 147(F) OF INTERNAL REVENUE CODE OF 1986, AS AMENDED**

**WHEREAS, Belen Jesuit Preparatory School, Inc., a 501(c)(3) Florida corporation (the "Company"), has requested the Miami-Dade County Industrial Development Authority (the "Authority") to issue not exceeding $5,915,000 aggregate principal amount of its Revenue Bonds (Belen Jesuit Preparatory School, Inc. Project) (the "Bonds"), the proceeds of which will be used for the purpose of (i) financing the cost of the acquisition, construction and installation of certain educational facilities, including the acquisition of approximately 2.6 acres of land located at 12801 SW 2nd Street, Miami, Florida, immediately adjacent to the Borrower's existing campus (the "Existing Campus") which is located at 500 SW 127th Avenue, Miami, Florida, to be utilized in conjunction with the expansion of the school's sports facilities, including the**

# MEMORANDUM
**(Revised)**

**TO:** Honorable Chairman Bruno A. Barreiro and Members, Board of County Commissioners

**DATE:** April 24, 2007

**FROM:** Murray A. Greenberg County Attorney

**SUBJECT:** Agenda Item No. 10(E)(1)(A)

**Please note any items checked.**

_____ **"4-Day Rule" ("3-Day Rule" for committees) applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Bid waiver requiring County Manager's written recommendation**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **Housekeeping item (no policy decision required)**

_____ **No committee review**

development of an Olympic size swimming pool and tennis courts, the construction of an administrative and executive building containing approximately 18,000 square feet to be located on the Existing Campus, the acquisition and renovation of adjacent property, consisting of a building containing approximately 3,686 square feet and the site therefore containing approximately 0.80 acres of land, located at 12805 SW 6th Street, Miami, Florida, adjacent to the Existing Campus, to be converted to house preschool and kindergarten programs, the acquisition and installation of related furniture, fixtures and equipment, and (ii) paying costs of issuance of the Bonds (collectively, the "Project"); and

WHEREAS, the Authority intends to issue the Bonds subject to approval by the Board of County Commissioners of Miami-Dade County, Florida (the "Board") and final approval by the Authority of the financing documents for the Project, which is more particularly described in the report prepared by the Executive Director of the Authority (a copy of which is attached hereto as Exhibit A); and

WHEREAS, on Tuesday, February 13, 2007, the Authority held a public hearing, notice of which was published on Tuesday, January 30, 2007 in The Miami Herald (a copy of which notice is attached hereto as Exhibit B), for the purpose of giving all interested persons an opportunity to express their views in connection with the issuance of the Bonds, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, after reviewing a copy of the transcript of the Authority's public hearing held on Tuesday, February 13, 2007, in respect of the Bonds (a copy of which transcript is attached hereto as Exhibit C), and finding that the Project will inure to the benefit of the citizens of Miami-Dade County, this Board desires to approve the issuance of the Bonds for the purpose of complying with Section 147(f) of the Code,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:

Section 1. The issuance of Revenue Bonds of the Miami-Dade County Industrial Development Authority in an aggregate principal amount not to exceed $5,915,000 for the purpose of financing or

refinancing all or a portion of the costs of the Project, as previously described, is approved.

Section 2. The Bonds and the interest on the Bonds shall not constitute a debt, liability or general obligation of the Authority, the County or of the State of Florida or of any political subdivision thereof, but shall be payable solely from the revenues or other moneys specifically provided by the Company for the payment of the Bonds and neither the faith and credit nor any taxing power of the Authority, the County or of the State of Florida or of any political subdivision thereof is pledged to the payment of the principal or interest on the Bonds.

The foregoing resolution was offered by Commissioner Carlos A. Gimenez, who moved its adoption. The motion was seconded by Commissioner Dennis C. Moss and upon being put to a vote, the vote was as follows:

| | | | |
|---|---|---|---|
| Bruno A. Barreiro, Chairman | aye | | |
| Barbara J. Jordan, Vice Chairwoman | aye | | |
| Jose "Pepe" Diaz | aye | Audrey M. Edmonson | absent |
| Carlos A. Gimenez | aye | Sally A. Heyman | absent |
| Joe A. Martinez | aye | Dennis C. Moss | aye |
| Dorrin D. Rolle | aye | Natacha Seijas | absent |
| Katy Sorenson | aye | Rebeca Sosa | aye |
| Sen. Javier D. Souto | aye | | |

The Chairperson thereupon declared the resolution duly passed and adopted this 24th day of April, 2007. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: KAY SULLIVAN
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Gerald T. Heffernan

# Memorandum

MIAMI-DADE COUNTY

**Date:** April 24, 2007

Agenda Item No. 10(E)(1)(A)

**To:** Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

**From:** George M. Burgess
County Manager

**Subject:** Resolution Approving Issuance of Industrial Development Revenue Bonds for Belen Jesuit Preparatory School, Inc. Project

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**Recommendation**

The attached Resolution is being placed on the agenda for Board consideration on behalf of the Miami-Dade County Industrial Development Authority (IDA). The item approves the issuance of industrial development revenue bonds by the IDA for Belen Jesuit Preparatory School, Inc. after a public hearing was held by the Industrial Development Authority on February 13, 2007.

**Scope**

Belen Jesuit Preparatory School, Inc is located at 500 SW 127 Avenue, Miami, FL, which lies within the unincorporated municipal service area of Commission District 12.

**Fiscal Impact**

Neither the Miami-Dade County Industrial Development Authority nor Miami-Dade County has any liability with respect to the repayment of the bonds.

**Background**

Section 147(f) of the Internal Revenue Code of 1986 ("TEFRA") requires that the Board of County Commissioners approve the issuance of industrial development revenue bonds after a public hearing has been held either by the Miami-Dade County Industrial Development Authority or the Board itself. For efficiency, the Board has allowed the Miami-Dade County Industrial Development Authority to conduct the public hearing subject to review and ratification by the Board.

Attachments

Cynthia W. Curry
Senior Advisor to the County Manager

# Memorandum

MIAMI-DADE COUNTY

**Date:** April 24, 2007

**To:** Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

**From:** Albert Morrison, Jr.
Miami-Dade County
Industrial Development Authority

**Subject:** Application for Industrial Development Revenue Bond financing for Belen Jesuit Preparatory, Inc. project

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**RECOMMENDATION**

It is recommended that the Board approve the issuance of the Authority's Industrial Development Revenue Bonds for the Belen Jesuit Preparatory School, Inc. project, as detailed in the attached reports.

**BACKGROUND**

Review and analysis of the project has been completed by the Authority, County Attorney's Office, and Bond Counsel. The Authority has conducted the federally required public hearing, as detailed in the attached public hearing transcript.

**Belen Jesuit Preparatory School, Inc.**, a 501(c)(3) Florida not-for-profit corporation has applied for Industrial Development Revenue Bond financing assistance in a maximum principal amount not to exceed $5,915,000. The bond issue proceeds, which will be guaranteed by a letter of credit from a rated financial institution, will be used for the purpose of financing the cost of the acquisition, construction and installation of certain educational facilities, including the acquisition of approximately 2.6 acres of land located at 12801 SW 2nd Street, Miami, Florida, immediately adjacent to the Borrower's existing campus which is located at 500 SW 127th Avenue, Miami, Florida, to be utilized in conjunction with the expansion of the school's sports facilities, including the development of an Olympic size swimming pool and tennis courts, the construction of an administrative and executive building containing approximately 18,000 square feet to be located on the Existing Campus, the acquisition and renovation of adjacent property, consisting of a building containing approximately 3,686 square feet and the site therefore containing approximately 0.80 acres of land, located at 12805 SW 6th Street, Miami, Florida, adjacent to the Existing Campus, to be converted to house preschool and kindergarten programs, the acquisition and installation of related furniture, fixtures and equipment, and pay costs of issuance of the Bonds. The Project will be owned and operated by the Borrower. Belen Jesuit Preparatory School, Inc. reports it currently employs approximately 140 persons and projects 15 new job opportunities following completion of the project.

# BELEN JESUIT PREPARATORY SCHOOL, INC.

## THE CORPORATION

Belen Jesuit Preparatory School, Inc. ("Belen") is a 501(c)(3) not-for-profit Florida corporation located at 500 SW 127th Avenue, unincorporated Miami-Dade County. Chartered in September, 1962 under the auspices of a Roman Catholic religious order, the Religious of the Society of Jesus, Belen is a Catholic all boys private school, which provides primary, intermediate, junior high, and senior high education, as well as limited after school care, summer day camp, sports and other activities for its students. While founded and operated upon Roman Catholic, Christian beliefs, principles and values, the programs and services of Belen are open to the entire community. Belen reports the school is accredited by the Southern Association of Colleges and Schools and holds membership in the National Catholic Educational Association, the Jesuit Secondary Education Association, the Jesuit High School College Counselor Association and the Southern and National Association of College Admission Counsel.

## THE PROJECT

Belen operates on a 30-acre campus which currently houses the school's administrative and business offices, admission and development offices, classroom buildings, library, arts pavilion, auditorium and athletic fields. Belen is requesting Industrial Development Revenue Bond financing assistance in an amount not to exceed $5,915,000 to finance the acquisition of land located immediately adjacent to Belen's existing campus to be utilized in conjunction with an expansion of the school's sports facilities, including development of an Olympic size swimming pool and tennis courts, the construction of a new administrative and executive building on existing campus land, as well as the acquisition and renovation of an adjacent residential property to be converted to house preschool and kindergarten programs.

Elements of the proposed project include:

1. Acquisition of land (approximately 2.6 acres): ---------- $ 2,000,000

2. Building Construction – approximate 18,000 sq. ft. administrative and executive building to be located on existing campus land: ---------- $ 2,000,000

3. Acquisition and renovation of adjacent property, including: ---------- $ 1,500,000
   - Land (approx .80 acres) and Building (approx. 3,686 sq. ft.): --- $ 1,200,000
   - Rehabilitation ---------- $ 300,000

4. Furniture, Fixtures and Equipment: ---------- $ 300,000

## FINANCIAL SUFFICIENCY

Belen School, Inc. has provided audited financial statements for the fiscal years ended July 31, 2006, 2005 and 2004.

A review of the submitted financial and related information indicates:

| SOURCE OF FUNDS | | USE OF FUNDS | |
|---|---|---|---|
| Bond Issue Proceeds* | $ 5,915,000 | Acquisition of Land | $ 2,000,000 |
| | | Acquisition of Land and Existing Building | 1,200,000 |
| | | Building Construction | 2,000,000 |
| | | Rehabilitation | 300,000 |
| | | Furnishings, Fixtures & Equipment | 300,000 |
| | | Bond Issuance Costs | 115,000 |
| **TOTAL** | **$5,915,000** | **TOTAL** | **$5,915,000** |

* Any costs related to the bond issue and development of the project which cannot be paid out of bond proceeds will be borne by the School.

Information relative to the proposed financial structure includes:

| | |
|---|---|
| Financial Structure: | Corporate Debt |
| Security: | First mortgage on all assets financed with bond proceeds. |
| Guarantee: | Letter of Credit or similar credit enhancement acceptable to Authority from rated financial institution. |
| Marketing: | Private placement. |

## LEGAL

Under the 1986 Tax Act, facilities for 501(c)(3) corporations are eligible for financing with tax-exempt Industrial Development Revenue Bonds provided that the project is part of the corporation's normal course of business. Pursuant to House Bill 1793, the 1998 Florida Legislature approved the amendment of the Florida Industrial Development Financing Act's definition of projects to include property that comprises the buildings, equipment, structures, and special education use areas that are built, installed, or established to serve primarily the educational purposes of operating any nonprofit private preschool, kindergarten, elementary school, middle school or high school that is established under chapter 617 or chapter 623 of the Florida Statues or that is owned or operated by an organization described in s. 501(c)(3) of the United States Internal Revenue Code.

Bond Counsel and the County Attorney's office have previously advised that the Industrial Development Authority is an appropriate agency to issue bonds for projects of this nature. Bonds issued for the benefit of a 501 (c)(3) corporation are also exempt from the requirement of being included under the state bond volume cap.

## ECONOMIC IMPACT

Belen reports that it currently employs 140 persons and completion of the project will provide approximately 15 new job opportunities with an estimated increase in payroll of $450,000.

Belen also reports they expect to use local contractors and labor to construct the project and, in general, expect the project will have a positive impact on its student population and the citizens of Miami-Dade County.

**Exhibit B**



## MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY TEFRA/PUBLIC HEARING

The Miami-Dade County Industrial Development Authority (the "Authority") has been requested to issue its Revenue Bonds in an aggregate principal amount not exceeding $5,915,000 (the "Bonds"), the proceeds of which will be used to make a loan or loans to Belen Jesuit Preparatory School, Inc., a Florida not for profit corporation and an organization which is described in Section 501(c)(3) of the United States Internal Revenue Code ("Borrower"), for the purpose of financing the cost of the acquisition, construction and installation of certain educational facilities, including (i) the acquisition of approximately 2.6 acres of land located at 12801 S.W. 2nd Street, Miami, Florida, immediately adjacent to the Borrower's existing campus (the "Existing Campus") which is located at 500 S.W. 127th Avenue, Miami, Florida, to be utilized in conjunction with the expansion of the school's sports facilities, including the development of an Olympic size swimming pool and tennis courts, (ii) the construction of an administrative and executive building containing approximately 18,000 square feet to be located on the Existing Campus, (iii) the acquisition and renovation of adjacent property, consisting of a building containing approximately 3,686 square feet and the site therefore containing approximately 0.80 acres of land, located at 12805 S.W. 6th Street, Miami, Florida, adjacent to the Existing Campus, to be converted to house preschool and kindergarten programs, (iv) the acquisition and installation of related furniture, fixtures and equipment, and (v) pay costs of issuance of the Bonds (collectively, the "Project"). The Project will be owned and operated by the Borrower.

The Bonds shall not be a debt, liability or obligation of the Authority or of Miami-Dade County, Florida, or of the State of Florida, or of any political subdivision thereof, but shall be payable solely from payments derived from the operation of the Project or the security instruments for the Bonds.

Please take note that the Authority will hold a public hearing on the Project and associated issues regarding the Bonds at the Brickell BayView Centre, 80 SW 8th Street, Suite 2801, Miami, Florida, on **Tuesday, February 13, 2007** commencing at **11:00 a.m.** or shortly thereafter, at which time any person may be heard regarding the proposed issuance of said Bonds and the Project. The Authority will submit a transcript of the statements made at the hearing and written comments to the Board of County Commissioners, Miami-Dade County, Florida, which must approve or disapprove the issuance of the Bonds.

# MIAMI-DADE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

## TRANSCRIPT OF PUBLIC HEARING

## TUESDAY, FEBRUARY 13, 2007

At 11:00 a.m., the Executive Director of the Miami-Dade County Industrial Development Authority announced that the Authority would proceed to hold a public hearing on the issuance of Industrial Development Revenue Bonds. The following is a substantially verbatim account of the proceedings of this hearing.

The following persons were present:

| | | |
|---|---|---|
| James D. Wagner Jr.<br>*Executive Director* | Miami-Dade County<br>Industrial Development Authority | 80 SW 8th Street, Ste. 2801<br>Miami, Florida 33130 |
| Amanda Llovet<br>*CFO* | Miami-Dade County<br>Industrial Development Authority | 80 SW 8th Street, Ste. 2801<br>Miami, Florida 33130 |
| Cynthia Castillo<br>*Assistant to Executive Director* | Miami-Dade County<br>Industrial Development Authority | 80 SW 8th Street, Ste. 2801<br>Miami, Florida 33130 |
| Simon Ferro<br>*Counsel* | Greenberg Traurig, P.A.<br>representing Belen Jesuit Preparatory School | 1221 Brickell Avenue<br>Miami, Florida 33131 |
| Father Marcelino Garcia<br>*President* | Belen Jesuit Preparatory School, Inc. | 500 SW 127th Avenue<br>Miami, Florida 33184 |
| Edelmiro Hernandez<br>*Financial Consultant* | Belen Jesuit Preparatory School, Inc. | 500 SW 127th Avenue<br>Miami, Florida 33184 |
| James E. Morgan, III, P.A.<br>*Counsel* | Squire Sanders & Dempsey L.L.P.<br>representing Belen Jesuit Preparatory School | 200 S. Biscayne Blvd, Ste. 4000<br>Miami, Florida 33131 |

**Executive Director** We will now conduct the public hearing on the proposed issuance of Industrial Development Revenue Bonds for the capital project located in Miami-Dade County.

This public hearing is being conducted pursuant to requirements of the Federal Tax Equity and Fiscal Responsibility Act of 1982. The Act requires that in order for the interest on Industrial Development Revenue Bonds to be exempt from Federal Income Tax, such proposed bonds must be approved by either a voter referendum or by an applicable elected legislative body after a public hearing following reasonable public notice.

We have received a copy of a notice advising that the Industrial Development Authority will hold a public hearing on the proposed issuance of Industrial Development Revenue Bonds to finance all or a portion of the capital costs associated with the project mentioned in that notice. The notice appeared in The Miami Herald on Tuesday, January 30, 2007, page 5B.

We will now commence the public hearing. The hearing will be conducted in the following format: First, a brief synopsis of the proposed bonds and the project will be provided. Second, testimony from anyone desiring to speak will be heard. Anyone wishing to speak should give their name and address for the record.

The project for consideration is an Industrial Development Authority Revenue Bond issue for Belen Jesuit Preparatory School, Inc. in a maximum principal amount not to exceed $5,915,000. The bond proceeds will be used to make a loan or loans to Belen Jesuit Preparatory School, Inc. a Florida not for profit corporation and an organization which is described in Section 501(c)(3) of the United States Internal Revenue Code, for the purpose of financing the cost of the acquisition, construction and installation of certain educational facilities, including the acquisition of approximately 2.6 acres of land located at 12801 SW 2nd Street, Miami, Florida, immediately adjacent to the Borrower's existing campus which is located at 500 SW 127th Avenue, Miami, Florida, to be utilized in conjunction with the expansion of the school's sports facilities, including the development of an Olympic size swimming pool and tennis courts, the construction of an administrative and executive building containing approximately 18,000 square feet to be located on the Existing Campus, the acquisition and renovation of adjacent property, consisting of a building containing approximately 3,686 square feet and the site therefore containing approximately 0.80 acres of land, located at 12805 SW 6th Street, Miami, Florida, adjacent to the Existing Campus, to be converted to house preschool and kindergarten programs, the acquisition and installation of related furniture, fixtures and equipment, and pay costs of issuance of the Bonds. The Project will be owned and operated by the Borrower.

**Executive Director** Action taken by the Authority to date includes a review of the project in accordance with Authority Guidelines and Procedures and the adoption of a Memorandum of Agreement which specifies the terms of the proposed bond issue.

Testimony will now be heard by anyone desiring to speak.

Let the record reflect that Father Marcelino Garcia, Edelmiro Hernandez, James E. Morgan III and Simon Ferro are in attendance representing the applicant. Gentlemen, is there anything you would like to add?

**Representatives** Let the record reflect that no one desired to make any comments.

**Executive Director** This concludes the public hearing scheduled for today. This project, together with a transcript of today's public hearing, will be forwarded to the Miami-Dade County Board of County Commissioners at a regular meeting, at which time the Commission will approve or disapprove the proposed issuance of Bonds by the Miami-Dade County Industrial Development Authority.